GOVERNMENT OF INDIA
RAILWAYS
LOK SABHA

UNSTARRED QUESTION NO:3000
ANSWERED ON:16.03.2016
Increase in Fare
Rajendran Shri S.

Will the Minister of RAILWAYS be pleased to state:

(a) the number of times passenger and freight fares were increased in the last two financial years including the current financial year, respectively;

(b) the details of increase along with the additional revenue earned through each hike;

(c) whether it is a fact that the fare of Second AC in Rajdhani Trains is more than or equivalent to the airfare when booked one month earlier;

(d) if so, the reasons therefor; and

(e) whether the railways have benefited from fall in the prices of crude oil and if so, the details thereof?

Answer

MINISTER OF STATE IN THE MINISTRY OF RAILWAYS

(SHRI MANOJ SINHA)

(a) to (e) A Statement is laid on the Table of the House.

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STATEMENT REFERRED TO IN REPLY TO PARTS (a) TO (e) OF UNSTARRED QUESTION NO.3000 BY SHRI S. RAJENDRAN TO BE ANSWERED IN LOK SABHA ON 16.03.2016 REGARDING INCREASE IN FARE

(a) & (b) The details of increase in Passenger fares and Freight rates along with revenue generated during financial year 2014-15, 2015-16 and 2016-17are as under:

Passenger:
In 2014-15 Passenger fares for all classes were increased from 25/6/2014 by 14.2% inclusive of 4.2% on account of Fuel Adjustment Component (FAC). However, there was no increase in Second Class (Ordinary) Suburban fares upto a distance of 80 kilometers. This has generated an additional revenue of around ?4000 crore in that year.
During 2015-16 Passenger fares have not been increased, however, the minimum chargeable passenger fare for Second Class Non-suburban services has been increased from ? 5 to ? 10 to bring it at par with the rate of Platform tickets from 22.11.2015,which is expected to generate an additional revenue of around ?35 crore.
There is no increase in Passenger fares in 2016-17.

Freight:
During 2014-15 Freight rates for all commodities were increased from 25/6/2014 by 6.5% inclusive of 1.5% on account of Fuel Adjustment Component (FAC). This was to generate an additional revenue of around ?4000 crore in that year. During 2015-16 the Freight rates were increased by 10 percent along with rationalization in distance slabs. However, while there was no increase in freight rates in case of Salt for human consumption, the increase in case of Coal, Cement, Iron Ore Steel, Iron Ore and Petroleum products was lower due to reduction in classification of these commodities. With the above changes, Railways have generated an additional revenue of ? 4690 crore up to the end of January 2016 compared to the last year.

There is no increase in Freight rates in 2016-17.

(c) & (d) Indian Railways do not maintain the fares of airlines and hence it is not possible to compare the same.

(e) Due to fall in the prices of crude oil and reduction in consumption with measures to improve efficiency, Railways has saved approximately ? 910 crore in 2014-15 and ? 2100 crore in 2015-16.

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